

CIA report started hijack row

by COLIN LEGUM

ISRAEL is still not prepared to accept West Germany's angry denials of having been involved in a secret deal with the Black September organisation before the hijacking of a Lufthansa aircraft last Sunday. The hijacking led to the release of three Arab prisoners held after the Munich killings during the Olympic Games.

It transpires that the crucial element in the bitter controversy about alleged collusion between Bonn and the Black September group is a secret report made by agents of the US Central Intelligence Agency (CIA). They reportedly leaked the story of an alleged secret meeting held in Rome before the hijacking between certain high officials from Bonn and Black September leaders. It is on the basis of this report that much of the circumstantial evidence has been built up in support of the collusion theory.

Prominent Israeli security and political figures take very seriously the possibility of some kind of a secret deal. But the Minister of Transport, Mr Shimon Peres, has said he did not believe Chancellor Willy Brandt's Government would involve itself in 'so foul a deed'.

The Israelis have noted in particular the statement of the West German Minister of Transport that the authorities had received warnings that a strike was being planned in the latter part of October to secure the release of the three Arab prisoners.

Herr Franz Josef Strauss went even further to allege that the actual date of 30 October had been set. But it is recognised that Herr Strauss, who is involved in the present German elections, may simply be concerned with a possible electoral advantage by repeating the charges of collusion.

Nevertheless, sharp questions are being asked in Jerusalem. If there was some kind of warning why were no adequate security precautions taken, especially on Lufthansa flights operating out of Damascus and Beirut, the two major centres of the Arab guerrilla organisations? How did the weapons get on board the Lufthansa plane?

According to a Spanish journalist, who was one of the three non-Arab passengers in the hijacked aircraft, there were nine bombs 'as big as bottles', eight hand grenades and three pistols.

Reports from Beirut indicate the possibility of rapidly improving German-Arab relations, but Arab sources, denounce the 'collusion' story as 'a typical piece of Israeli fabrication.'

GEHLEN: Spy of the Century
 by E. H. Cookridge
 Random House, 402 pp., \$10

THE GENERAL WAS A SPY:
 The Truth About General Gehlen
 and His Spy Ring
 by Heinz Höhne and Hermann Zölling
 translated from the German
 by Richard Barry
 Coward, McCann & Geoghegan,
 347 pp., \$10

THE SERVICE:
 The Memoirs of General
 Reinhard Gehlen
 translated from the German
 by David Irving
 World, 386 pp., \$10

GEHLEN: Master Spy of the Century
 by Charles Whiting
 Ballantine, 274 pp., \$1.25

Reviewed by Robert G. Deindorfer

In the perilous Cold War times of eighteen to twenty years ago, few persons privy to the ways of international circles—least of them Reinhard Gehlen himself—could have foreseen the twilight that was to fall over his later career. Gehlen's triumphs in the late 1940s and early 1950s, particularly his artful lifting of vital Soviet secrets, put him at the top of his profession. A slight, vain, driven man, methodical and single-minded, Gehlen was the remarkably reliable and productive leader of an espionage structure he hired out first to the United States and then to his own West German government. That was a world more clearly divided than now between friend and foe, and Gehlen seemed to some an epic figure, concealed behind the high, heavily patrolled walls of his headquarters at Pullach, a few miles from Munich. However, when the Cold War began to thaw, when his network was breached by the Communists, when new technology replaced people, Gehlen was brought down from his undercover heights.

Son of a solid, middle-class Prussian family, Gehlen, like his father, went into the German army and slowly climbed up through the chain of command. If he was an unimpressive-looking little man, with thin lips, jugged ears, and a pale, cardboard complexion, he was also willing to work sixteen painstaking hours a day to fill in the daydream his vanity kept spinning. Gehlen, who was a general staff officer

during the Second World War, was named head of *Fremde Heere Ost* (Foreign Armies East), the German staff's intelligence unit on the Eastern Front. With a card file for a mind and a passion for detail, he soon formed a successful network of agents on both sides of the battle lines. His evaluations of Soviet strength were so accurate that they finally did him in. Toward the end of the war, as the Russian armies rolled westward, Hitler angrily relieved Gehlen of his command, not because his intelligence forecasts weren't accurate—they were—but because mournful estimates of overpowering Russian strength were too hard for the tormented, ever-optimistic Hitler to bear.

In the circumstances this created, Gehlen demonstrated a flair for the self-serving long view. Germany was doomed, no doubt of it. Beyond the defeat, though, he saw an increasing tension between the U.S.S.R. and its Western allies once the postwar house-keeping in Europe commenced. He advised his better agents in the denied area to stay where they were, packed up forty crates of microfilm intelligence on the Soviet Union, and scuttled into Bavaria to bury the treasure and await the advancing Americans, who seemed as the most promising market.

For a while, after Gehlen had given himself up, he was submerged in the great wash of prisoners of war. When his unique background came to the attention of U.S. military intelligence officers, however, he was flown to Washington. In a matter of months he made an agreement to pull together an American-funded, German-manned intelligence service, with the help of his voluminous files, his dormant agents and networks, and an intimate knowledge of the Russians.

Gehlen and his people got on to the job immediately, with an annual budget variously reported to be from \$6 million to \$20 million. With the collaboration of German soldiers still prisoners in the Soviet Union and a host of refugees streaming into Western Europe, not to mention some former *Abwehr* and SS officers, Gehlen built an enormous service just as the breach between the Soviet Union and the United States began to widen.

"The Org," as the Gehlen organization was known, developed right out of the craft books: agents, subagents and cutouts, dead drops, codes, and safe houses—the whole sealed off with a watertight compartmentalization for the obvious reason of security. All over Europe Gehlen agents masqueraded as businessmen, tax advisers, and employ-

escapes recruited in the sprawling refugee camps of Austria and Germany—for a flat price of \$100 a day, plus a fluctuating bonus afterwards if they managed to get back out safely. Among the notable successes were the penetration of East Germany's government and early warnings on Soviet jet and missile development; on uprisings in East Germany, Czechoslovakia, and Hungary; on important political vibrations in Moscow; on Soviet troop strength, and even on the hostility between Russia and China. According to people who ought to know, The Org supplied upwards of 70 per cent of the intelligence data from the Soviet orbit for the United States, NATO, and SHAPE. Under the circumstances an East German newspaper was moved to offer an improbable tribute in the summer of 1953: "The Gehlen Organization has hitherto scored certain successes in the recruitment of agents in the German Democratic Republic."

In 1956 the apparatus, except for some ex-SS and ex-Nazi personnel who were phased out for political reasons, became the *Bundesnachrichtendienst*

Robert G. Deindorfer has written three books on the subject of intelligence, the most recent of which is *Secret Service—Thirty-three Centuries of Espionage*

continued

11 JUNE 1972

Gen. Gehlen's careful shift to the Allies

THE SERVICE: The Memoirs of General Reinhard Gehlen. Translated by David Irving. World. \$10.

By K. S. Giniger

A week or two before the European phase of World War II came to its formal close, I was at an airbase in Eschwege, Germany, as an intelligence officer. Watching for a special reconnaissance mission to return to base, I was surprised to see a German Junkers transport flying in low from the east, wheels down for a landing. Our anti-aircraft batteries were surprised, too, or asleep, because none fired at the enemy aircraft.

The plane was permitted to land, unharmed, but armed soldiers surrounded the occupants as they dismounted from the craft and took them into custody. We learned on interrogation that they were high-ranking German officers from the Russian front and had come to volunteer their services to us in what they were convinced would be our approaching war with the Russians.

Just about that same time, General Reinhard Gehlen, who had been in charge of German intelligence in the east, was busy transporting two truckloads of his files and his staff to a hideout on the Austrian border about 300 miles to the south. His idea was exactly the same. And his extensive files on the Soviets gave him a bit more bargaining power than his fellow officers to the north.

HIS MEMOIRS tell the story of how he parlayed his convictions about the inevitability of Allied-Soviet conflict and his small staff and collection of file cabinets into an intelligence empire which first operated as a European branch of the CIA and then became the official foreign intelligence service of the new Federal Republic of Germany. And, although 27 years have passed since that armed conflict with the Soviets was a matter of days, he has not changed his opinion about "the ultimate clash with the United States of America." But now, he writes, it won't come until 1980, after

the Russians have eliminated China as a world power.

General Gehlen's book is a work of self-justification rather than the spy thriller the advance notices promised (will the real Martin Bormann please stand up?). But they are worth reading as a lesson in the very real problems of intelligence chiefs.

Allen Dulles once said to me that the publication of the Gehlen memoirs would compromise security, but there is nothing in this book that compromises anything except its author. And one of Dulles' British counterparts, Major General Sir Kenneth Strong, told me at the same time that such a publication would do no harm because most of what Gehlen could tell us was known already.

BUT THESE MEMOIRS do reveal the uncompromising nature of its author's anti-Communist convictions.

In the same exchanges of correspondence and views, Gehlen himself said that he could not publish because what he would say could only expose him and his family to real danger of vengeance, apparently his dislike for the "Ostpolitik" of the present German government of Willy Brandt has prompted him to take this risk, if risk it is.

In his introduction, George Bailey calls the General "a specialist in the salvaging and safeguarding of institutions." He certainly salvaged and safeguarded the one institution he created. It is unfortunate that too much of Gehlen's own book, unlike the others on the same subject, is devoted less to that institution, the Gehlen "Org," than to the currently unfashionable ideas behind its creation.

K. S. Giniger is president of Consolidated Book Publishers.

STATINTL

BOOKS IN BRIEF

Gehlen—Spy of the Century

By E. H. Cookridge

Random House, 402 pp., \$10

HATE-LOVE OF SPOOKERY

WALTER DARNELL JACOBS

Our age does not know just how to assess the professional spy. He is somehow outside the broader circles of gentlemen. He is worthy of respect for his skills and valor but worthy of disdain for the unsavoriness of his calling. He is a source of popular entertainment so long as he is presented in the most shallow and unreal parody. We know we need him but most of us wish that we didn't.

Cookridge's assessment of Reinhard Gehlen is subject to all these conflicts. Cookridge, himself a person with some professional spookery in his background, sees in Gehlen the outstanding spy of this century. He recognizes all the skills that Gehlen possesses and marvels at all (well, nearly all) of the exploits that Gehlen brought off. Still, Cookridge writes about his subject with an animus which has scarcely been equaled since Trotsky wrote Stalin's biography or Gore Vidal described a night with Richard Nixon.

GEHLEN HAS BEEN a director in espionage and intelligence rather than an operator or agent. He has served Hitler, Truman, Eisenhower, Adenauer, Erhard and Kiesinger. He provided Hitler with accurate combat and political intelligence on the USSR during World War II. He then served the United States from his base in the Pullacher Forst, collecting information inside the Soviet bloc when most Western agencies were unable either to penetrate or maintain sources there. When the Federal Republic was created, Gehlen became head of the West German Intelligence Service (BND) and created a worldwide system for Bonn that was also used to some extent by the United States and NATO. Before his retirement in 1968 Gehlen warned that the Soviet Union was eager for an excuse to use force against Czechoslovakia—

but nobody listened.

This series of accomplishments is fittingly admired by Cookridge. He admires, too, Gehlen's ability to work with the Egyptian apparatus and, at almost the same time, to cooperate with the Israelis. He even has some grudging appreciation for Gehlen's operations in France against the Algerian separatists before 1958.

What generates Cookridge's hate-love of Gehlen is something other than a squeamishness at Gehlen's ability to switch sides (Hitler to CIA to Bonn) or to serve both sides (Israel and Egypt). In Cookridge's code the professional spy is expected to be prepared to serve whomever he must in the style of the good British civil servant who can serve Lab or Lib or Tory and do the same competent professional job.

No, the cause of Cookridge's dislike of Gehlen is the fact that the great German spy has lived a life marked by a single-minded application to and entrancement by the Soviet Union. Whether Gehlen found his "subject" in the Soviet Union, as Cookridge asserts, or deduced from study and observation that the USSR was at the center of twentieth-century affairs, as events would seem to argue, is a question for speculation only. Gehlen became the "spy of the century" because he was able to supply more essential elements of information about the USSR than any of his contemporaries.

"Spy of the century" or not, Gehlen remains a most controversial figure even in retirement. The value of Cookridge's work is to take that controversy out of the pages of the sensationalist and reflex liberal press of Germany and the United States and place it almost inside the arena of scholarly research. He makes a reasonable attempt at meeting the standards of respectable research but is handicapped, not only by his feelings of aversion toward Gehlen the person but also by the nature of available sources, which are not entirely those of the political historian, but are, rather, concealed and often dissembled. And even though Cookridge places too much reliance on secondary sources and some questionable polemics (e.g., Wise and Ross), he produces a work that advances knowledge about espionage in general and about the great one, Gehlen.

Still, it is far from a definitive study. Because of the nature of the subject, Cookridge, however, sees the main lacuna in his attempt at compre-

hensiveness—the rôle of the Gehlen papers. We now have the Gehlen autobiography in German and it is soon to appear in an expanded English version. Cookridge ridicules the German edition as self-serving and lacking in documentation. He fails to find therein promised sensational disclosures about the Bormann matter. The Gehlen papers, nevertheless, deserve more weight than Cookridge is willing to assign them. Gehlen's version, in either language edition, is perforce a major input in any understanding of Gehlen the spy and Gehlen the man.

Cookridge's is an outstanding effort to contribute to the understanding of Gehlen as a director of espionage. It is pettiness perhaps to have expected more of a contribution to an understanding of Gehlen as a man—or as an imperial friend who has told us so much about the nature and capabilities of the Soviet Union.

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1 JUN 1972

Our Man in Pullach

The Service: The Memoirs of General Reinhard Gehlen
translated by David Irving.
World, 400 pp., \$10.00

The General Was a Spy
by Heinz Höhne and Hermann Zolling,
translated by Richard Barry.
Coward, McCann & Geoghegan,
347 pp., \$10.00

Gehlen, Spy of the Century
by E. H. Cookridge.
Random House, 402 pp., \$10.00

Neal Ascherson

When the Third Reich fell, the Allies were able to make use of a lot of Nazi junk. Like the telex machines in the Reuters office in Berlin, which up to a year or two ago still preserved a special key with the double lightning-flash of the SS, much of Hitler's furniture served the conquerors' purposes until equipment built for new requirements could be introduced. General Gehlen was such a piece of junk. Unfortunately, he stayed in service for another twenty-three years. Long after his espionage machinery had become obsolete and unreliable, the Gehlen keys continued to tap out the only message they knew: Bolshevik Russia is the merciless arch-enemy of human civilization, only a right-wing authoritarian state can resist the Red Terror, anyone who doubts either of the above propositions is a "Staatsfeind."

Reinhard Gehlen, a small and reticent man with jug ears, was the head of *Fremde Heere Ost* (Foreign Armies East), the German military intelligence service on the eastern front during World War II. After the war, he sold himself, his men, and his files to the Americans on the condition that he be allowed to operate autonomously. In 1955 the "Gehlen Organization" was transferred to the Federal Republic under the name of "Bundesnachrichtendienst" (BND). From then until he was pushed into retirement in 1968, after a long series of scandals and official complaints, Gehlen ran a West German espionage service with branches and agents all over the world.

That is the framework. Within it lies a Bosch landscape of swarming, terrifying, terrified figures: an armed parachutist fleeing from Soviet patrols in Lithuania, a double traitor feasting on smuggled lobsters, SS subversion squads to enter socialist Hungary, and a swan carrying packets

of information under its wings across a Berlin lake. A woman opens her legs to Russian officers in Vienna; another is led to the guillotine in East Germany for high treason. Everywhere, men looking over their shoulders are touting folders of secrets for dog-eared wads of money. All these were Gehlen's creatures. Somehow, looking back on this landscape in his memoirs, he can say: "My own view was that in the long run only he who fights with a spotless shield will triumph."

Such is Gehlen's view of himself. His memoirs were sold in advance for a gigantic sum to the right-wing Springer newspaper chain for serialization, but proved to be so eccentric, and indeed so dull, that the Springer journalists were obliged to pad them out with apologetic notes. Their most startling page claimed that Bormann was a Soviet spy and escaped to the Russians after the fall of Berlin, a claim for which Gehlen advances no real evidence whatever. Gehlen, to the anguish of the Springer press, denies or ignores most of the really sensational anecdotes about his postwar activities. Instead, he delivers interminable, whining discourses about the internal bureaucracy of the BND in its headquarters at Pullach, near Munich, and about its budget grievances.

But Gehlen's memoirs, though utterly unreliable and at times deliberately misleading, retain some historical interest. In the first place, they tell us something about Gehlen's world outlook. Secondly, they confirm beyond doubt the disgraceful unconstitutional campaign waged by Gehlen and his men against the Social Democrats and their "Ostpolitik," the patient effort to dismantle the cold war ramparts of legal fiction and paranoia which separated West Germany from Eastern Europe.

Gehlen's own politics, as revealed in this book, remain those of a moderate Nazi. There is, for instance, the characteristic blindness to the torments and feelings of any people other than the Germans. Consider this passage, in which Gehlen is describing the life of the Soviet population under Nazi occupation:

After twenty years of arbitrary injustice and terror, the re-establishment of elementary human rights, liberty, justice and the sanctity of property united the inhabitant

himself to admit that in truth Gehlen was a political idiot. His broad appreciations, colored by fascism and sheer crankiness, were worthless. For a time, no doubt, they were the appreciations that the State Department and later Chancellor Adenauer wished to hear. But when the cold war began to diminish, governments became impatient with Gehlen's morbid view of the Red threat. He sank into self-pity, comforted only by episodes like the escalation of the Vietnam war (although, as he writes, even there the Americans were too squeamish: "our own blitz campaign in France taught us that a massive and crushing use of force always costs less casualties").

The BND carried on a determined rear-guard action against the *Ostpolitik*, before and after Gehlen's own retirement, and a large section of the memoirs is devoted to the "illusions and unsound judgements" of Social Democrat politicians who do not realize that Russia "understands the word 'co-existence' in a purely offensive sense." It is rumored in Bonn that the BND recently played a part in subvert-

MAY 1972

Gehlen Faces Prosecution

The West German press reports that Reinhard Gehlen, former President of the Federal Intelligence Service (BND) has been charged with receiving a huge bribe, an offence which carries a penalty of five years hard labour.

A complaint filed with the public prosecutor's office in Munich charges that when he was at the head of the BND, Gehlen received from the U.S. Central Intelligence Agency a bribe of 250,000 marks, with which he acquired the luxury villa in Berg am Starnberger See in Bavaria where he now lives. The evidence submitted includes documents from the land registry office and the testimony of seven witnesses. The complaint mentions as a witness the present CIA director Richard Helms.

That Gehlen had bought his villa with money received from the CIA was first reported by the Hamburg weekly *Der Spiegel* in its issue No. 12 for 1971. But it took more than a year for the charges against Adenauer's one-time "favourite" to be filed with the prosecutor's office.

Our Man Beelzebub

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Gehlen: Spy of the Century
by E. H. Cookbridge

(Random House; \$10)

The General Was a Spy
by Heinz Hohne and Hermann Zolling

(Coward, McCann & Geoghegan; \$8.95)

A year before Winston Churchill's "Iron Curtain" speech in Fulton, Missouri, which formally stated the theme of Act I of the Cold War, a prologue was being written and played backstage in Europe by Americans and Germans. They had already identified Soviet Communism as Enemy Number One, not primarily because Russia had Eastern Europe in its grip, but because Soviet Communism was satanic and was set on conquering the world. And as Hugh Trevor-Roper remarks in his introduction to *The General Was a Spy*, "it is legitimate to use Beelzebub to drive out Satan." Beelzebub was willing. Both these spy stories describe how and why, with the collapse of the German armies, the Americans recruited Hitler's Chief of Intelligence against the Soviet Union and underwrote his postwar espionage operations.

Reinhard Gehlen was a professional, an experienced, single-minded anti-Communist with exceptional contacts. Those who hired him were not of the breed of Henry Stimson, who once said quaintly that gentlemen don't read other people's mail. They were what came to be called realists, and they dominated US foreign policy for the next quarter of a century. The US government secretly financed General Gehlen to the amount of \$200 million, and when he finally left his American supervisors and went to work directly for the Bonn government, Mr. Cookbridge tells us, Allen Dulles gave him "a golden handshake in appreciation of the great work he had done for CIA; a gratuity of 250,000 marks had been authorized. Dulles added the not entirely seriously meant condition that Gehlen should use the money to buy a fine house somewhere in the Bavarian mountains." For the \$200 million received, the mountains of paper and thousands of

clandestine tips on Eastern Europe and the USSR. Toward the end, it learned that much of the information was useless; and it learned something more disturbing: the Gehlen organization had been penetrated by the Soviets. By the early '60s, Washington's interest had cooled.

The General Was a Spy is drawn from a series of articles written by two German journalists for *Der Spiegel*. *Gehlen: Spy of the Century* is the product of a European educated British journalist who was himself an intelligence agent in World War II and was imprisoned by the Gestapo. Hohne and Zolling offer a more detailed and dispassionate account and focus more sharply on the intricacies of the postwar intelligence network inside Germany; they are less revealing than Cookbridge, however, on the American involvement and on the Nazi backgrounds of Gehlen's associates.

Gehlen served any master who served his purpose, which was the undermining and the destruction of Communism. When it could no longer be doubted that the German armies were defeated, Gehlen turned to the *Werewolves*, the young terrorists who were to carry on after Hitler's collapse. The *Werewolf* project had been discussed at one of Gehlen's last meetings with the Fuhrer, whom Gehlen found "most charming." They had also discussed Hitler's order that "gramophone records with sound effects of combat noise and rolling tanks . . . be distributed to front line commands and played from dugouts as near as possible to the Soviet lines." Hitler was mad, Gehlen was not. Yet Gehlen accepted this order, as all the others, knowing it was too late to stave off disaster, but obedient to a higher power. He did not desert until there was nothing to desert from. He played no

part in any German plot against the Nazi leaders. He waited until the end and then escaped to Bavaria, in early 1945, taking with him files he knew would interest the Americans—to whom he intended to surrender at a price. He met with Brigadier General Edwin L. Sibert, senior intelligence officer of the American Zone, who (report Hohne and Zolling) "while fighting was still in progress in France . . . had been prepared to make use of Adolf Hitler's officers in the cause of American strategy" and who "had a most excellent impression of him [Gehlen] at once." Sibert promptly took up with General Bedell Smith, US chief of staff, Gehlen's proposal to set up a German intelligence service "financed by the US and directed against the Soviet Union." Bedell Smith "okayed" the project, according to Hohne and Zolling, but did not inform Eisenhower, the Supreme Commander, who had forbidden fraternization with Germans. After lengthy interrogation in Germany, Gehlen was flown to Washington.

Though friendship with Moscow was then official US policy, Cookbridge points out, Gehlen knew that "many generals, above all General George V. Strong, the chief of G-2 army intelligence, and Sibert, were very far from regarding the Soviet Union as a future ally. In fact, a vastly different vision was taking place at the Third Army headquarters at Bad Toelz, near where he [Gehlen] had buried his . . . files. There General Patton was dreaming of rearming a couple of Waffen SS divisions to incorporate them into his Third Army and lead them against the Reds." Said Patton: "We're going to have to fight them sooner or later. Why not now while our army is intact and we can kick the Red army back into Russia? We can do it with my Germans. . . . They hate those Red bastards."

That, of course, went way beyond anything Gehlen's captors had in mind. They wanted information; Gehlen had it. So, says Cookbridge, they treated him with great courtesy, "wooing him like a wayward lass who can bring a large dowry to offset the blemishes of her past. . . . Gehlen bargained his way into the gray dawn of Cold War espionage, conceding or compromising on some points, using pressures near to blackmail to gain others. It says much for his shrewdness, self-assurance and persistence that he was able to take on and out-rank American experts." They agreed to covertly subsidize "an autonomous

The General Was a Spy

The Truth About General Gehlen and His Spy Ring.

By Heinz Höhne and Hermann Zolling.

Translated by Richard Barry from the German "Pullach Intern."

With an Introduction by Hugh Trevor-Roper and a Preface to the American Edition by Andrew Tully.

Illustrated. 347 pp. New York: Coward, McCann & Geoghegan. \$10.

Gehlen

Spy of the Century.

By E. H. Cookridge.

Illustrated. 402 pp. New York: Random House. \$10.

By CHRISTOPHER FELIX

The Chief, Foreign Output Evaluation, Central Intelligence Agency, Washington, D.C. (By safe hand to Langley.)

Dear Chief:

Lest it be supposed that my report violates the Agency's charter by engaging in operations within the United States, let me hasten to point out that, except for Andrew Tully's Preface to the Höhne and Zolling book (and for our reputation, of course), the paper, print, and bindings are the only things American involved here. E. H. Cookridge is a British subject: his book was first published in England. Heinz Höhne and Hermann Zolling are Germans: Their book is an elaboration of 15 articles published in West Germany's *Der Spiegel* magazine in the spring of 1971, which were highly critical of Gen. Reinhard Gehlen's direction of the Federal Intelligence Service.

Both books tell the same story: General Gehlen, a German officer since 1920, wartime head of F.H.O. (Fremde Heere Ost—Foreign Armies East), the intelligence section of the German General Staff concerned with Eastern Europe, surrendered at war's end to the Americans with the offer to put himself, his files, staff and networks at their disposal. After some fencing, the offer was accepted, and the Gehlen organization was ultimately installed in a compound at Pullach, near Munich. In 1949 American support and supervision was transferred from the United States Army to the recently formed C.I.A.

In 1956 the Gehlen organization became the B.N.D. (Bundesnachrichtendienst), the West German Federal intelligence service, and Gehlen its "President." Long a favorite of Chancellor Adenauer, who referred to him as "My dear General Gehlen," the

General and his B.N.D. suffered setbacks in the 1960's, notably the revelation that one of Gehlen's trusted deputies, a former S.S. officer, was a

Christopher Felix is the pseudonym of a former American diplomat and intelligence officer. He is the author of "A Short Course in the Secret War." "Three Cornered Cover" by Mr. Felix (with George Marton) will be published this fall.

longtime Soviet agent, and the B.N.D.'s involvement in the famous November, 1962, *Der Spiegel* affair. The latter added the enmity of Franz-Josef Strauss, the West German Defense Minister whose Bavarian C.S.U. (Christian Socialist party) was an essential prop of Christian Democratic rule, to the existing hostility of many Social Democrats.

In 1968 Chancellor Kurt Kiesinger, reportedly under some pressure from his Socialist partners in the "grand coalition," did not extend Gehlen's exemption from mandatory retirement. Gehlen's place, as president of the B.N.D., was taken by Gen. Gerhard Wessel, a former associate of Gehlen, but no longer his friend. In 1970, under the Brandt Government, a Social Democratic party official was installed in the B.N.D. as Vice President, former S.S. and Gestapo personnel were removed, and B.N.D. department heads were replaced, several by Social Democrats.

Although the story is the same in both books — down to a striking identity (and abundance) of detail — their approach differs. Cookridge, whose 13th book on secret operations this is, writes as the "expert." Nevertheless, he cannot avoid signs of regret at the apparent decline in later years of Gehlen's organization; the General is, after all, the hero of his book. In fact, at his hands Gehlen takes on the proportions of a super-

Höhne (author of "The Order of the Death's Head," 1970, and "Codeword: Direktor," reviewed on P. 40 in this issue) and Zolling, on the other hand, while recognizing Gehlen's accomplishments (and even defending him on occasion — not without flashes of national pride) are partisan. The B.N.D. under Gehlen, they plainly feel, let Germany down. "The Federal Republic," they write at the outset, "requires an efficient secret service if it is not to be exposed to unnecessary external dangers"; and their major charge against Gehlen is that from 1958 on, he and the B.N.D. were no longer efficient. Their opinion of the Gehlen organization for most of the years before that seems revealed in their frequent use of the phrase, "the Americans and their German minions at Pullach." This attitude, if understandable in the middle 1950's, carries a different weight nearly two decades later.

The German authors are severe about Gehlen's use of former Nazis and about his organization's "inordinate influence on government decisions with no controlling authority" to restrain it — given postwar West German history, that is a slap at Adenauer in particular and German Christian Democratic Governments in general.

The decline of the B.N.D. ("that secret service which was once regarded as the best in Europe," they add nostalgically but inconsistently, since they place its apogee in the period when Adenauer dominated and Gehlen & Co. were still "minions" of the Americans) they attribute variously to Gehlen's misconceptions and uncurbed powers, to the German tradition of regarding intelligence as falling almost exclusively in the domain of the military (they do have a good short essay on the historical development of the German intelligence services), and, among

GESTAPO LEADER IN BOLIVIA?

Nazi-hunter sure quarry found

By RICHARD H. BOYCE
Scripps-Howard Staff Writer

PARIS — Beate Klarsfeld has returned to Paris from Bolivia convinced that an escaped Nazi war criminal is living there.

Mrs. Klarsfeld's remarkable tale involves the U.S. Central Intelligence Agency, the International Red Cross, and the governments of France, Bolivia and West Germany.

A German married to a Frenchman, Mrs. Klarsfeld is a self-appointed Nazi-hunter who first made headlines five years ago when she publicly slapped then-West German Chancellor Kurt Georg Kiesinger and called him a Nazi.

Two years ago she was linked to an attempt to kidnap a suspected Nazi in Cologne, West Germany, which failed.

HUNTS GESTAPO OFFICER

Since then she has concentrated on digging up information she says proves that a man calling himself Klaus Altmann, now living in Bolivia, is in reality Klaus Barbie, a Nazi Gestapo officer stationed in Lyons, France, during the World War II occupation.

In 1947 a French court convicted Barbie, in absentia, of having torture-murdered 4,342 Frenchmen, of sending another 7,591 to Nazi gas chambers, and of jailing 14,311 French resistance fighters.

IMPRESSIVE RESULTS

Mrs. Klarsfeld, who now lives in Paris, has disclosed to newsmen the results of her investigations, which were aided by the French and German government. They are impressive:

- Pictures of the two men show a striking resemblance.
- Their fingerprints appear to be the same.

- Their birth dates are the same. Both were married on the same date.

- Their wives have the same names and birth dates.

- Both men have the same number of children, born on exactly the same dates.

OBTAINS DOCUMENTS

Mrs. Klarsfeld says she got from the International Red Cross the fingerprints, identity card, photographs and travel authorizations it provided to a man calling himself Karl Hartmann who travelled from Rome to South America in 1951.

These, Mrs. Klarsfeld says, prove thru the same similarities that Barbie fled Europe as Hartmann, then changed his name again to Altmann when he got to Bolivia.

Mrs. Klarsfeld charges further, and says German records prove, that Barbie worked for West German intelligence after the war, and that he gave the CIA names of Frenchmen who collaborated with the Germans during the German occupation of France.

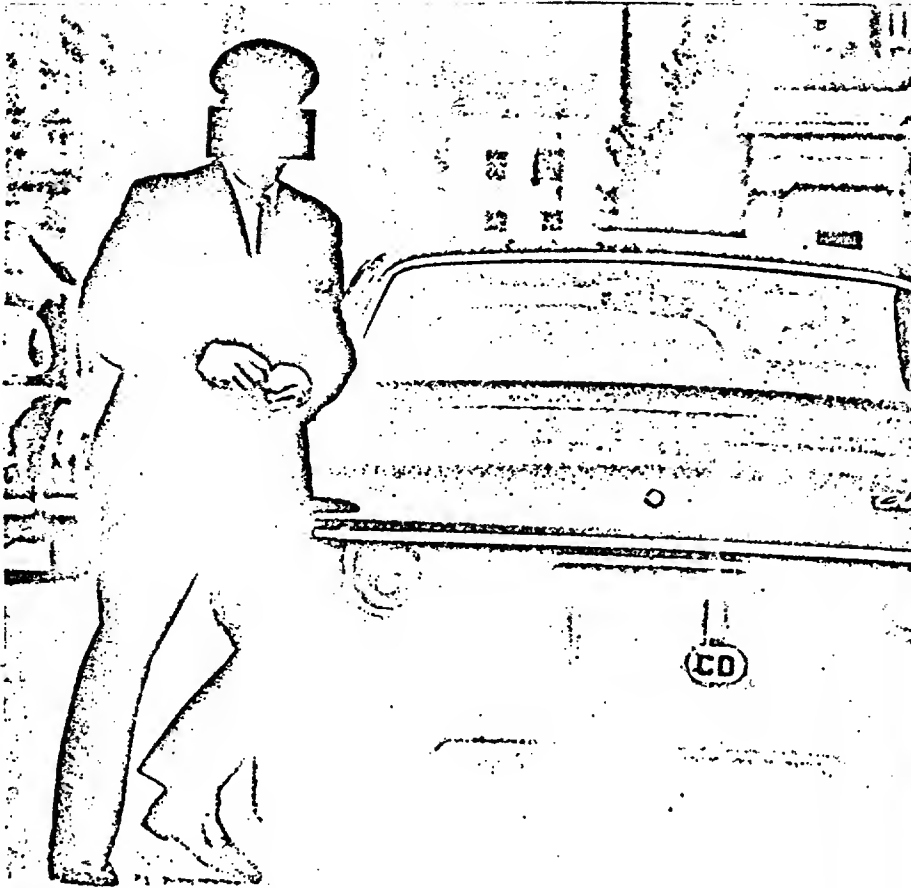
REFUSES INTERVIEW

Earlier this month, Mrs. Klarsfeld went to Bolivia with her documents to confront Altmann, but he declined to see her.

French President Georges Pompidou wrote Bolivian President Hugo Banzer asking Altmann be extradicted. Banzer replied that Bolivian courts would decide the matter.

Mrs. Klarsfeld's activities and charges have stirred a wave of strong feeling in France, where wartime resistance heroes are, as Mr. Pompidou wrote to Mr. Banzer, "revered by the entire country."

14 Jan 1972



THE BIGGEST SECRET SERVICE IN THE WORLD

Starting an exclusive report on the CIA, its power

INSIDE



The Biggest Secret Service in the World.
An analysis of the work of the Central Intelligence Agency begins on page 10.

The compiler of this three-part report is E. H. Cookridge (left), who is the author of 16 books on espionage. Recruited into the British Secret Service on graduating from the University of Vienna in 1934, he has spent his time ever since in intelligence work, or writing about it. "I am in the position of the dumb blonde in Hollywood films. Once you are it you cannot stop. I am tired of writing about spies." But his network of contacts built up over the years is unique; and ensures that he will be

STATINTL

General Gehlen berichtet (7): Der geheime Nachrichtendienst als Wegbereiter der Diplomatie

Die CIA hat es besser als der BND

Nach dem Urteil Reinhard Gehlens, des ehemaligen BND-Chefs, hat der Bundesnachrichtendienst heute nicht mehr den „ihm zukommenden Platz im Staate“. Er führt dafür ein Symptom an: In anderen Ländern wäre einer Mission wie der des Staatssekretärs Egon Bahr zur Anbahnung der Ostpolitik Willy Brandts eine Vorklärung durch eine geeignete Persönlichkeit des Nachrichtendienstes vorausgegangen. Mit deutlich erkennbar kritischer Absicht stellt Gehlen der Situation des BND in der Bundesrepublik die Position des Auslandsnachrichtendienstes (CIA) in den USA gegenüber. Offen spricht er von personalpolitischen „Fehlentwicklungen“. Für den Chef des Bundesnachrichtendienstes verlangt er aus langjähriger persönlicher Erfahrung ein Höchstmaß an Ermessensfreiheit; die fachliche Leitung des Dienstes müsse ausschließlich in seiner Hand liegen. Andererseits verweist er den BND-Chef auf sein „spezifisches Berufsrisiko“. In der Reihe der Vorabdrucke aus Gehlens Memoiren („Der Dienst“, v. Hase & Koehler Verlag, Mainz/Wiesbaden) veröffentlichen wir heute Passagen, die einen Vergleich der staatspolitischen Einordnung der Geheimdienste in der Bundesrepublik und in den Vereinigten Staaten ermöglichen. Der Beitrag unseres Redaktionsmitgliedes Rudolf Strauch vermittelt ergänzende Informationen.



Die endgültige Übernahme der Organisation (Gemeint ist die Übernahme der „Organisation Gehlen“ als „Bundesnachrichtendienst“ in deutsche Kompetenz am 1. April 1956, die Red.) konnte auf zweierlei Weise durchgeführt werden. Sie konnte entweder durch ein Gesetz erwirkt oder auf Grund der Organisationsgewalt der Bundesregierung gemäß Artikel 86 des Grundgesetzes verfügt werden. Beide Wege waren innerhalb der Bundesregierung, in den damit befaßten Ausschüssen des Bundestages, sowie auch in Besprechungen mit mir und meinen engsten Mitarbeitern erörtert worden.

Ein Gesetz hätte zwar den zukünftigen Bundesnachrichtendienst fest innerhalb der Bundesverwaltung verankert, mögliche Zweideutigkeiten und Unklarheiten von vornherein beseitigt, andererseits aber auch Regierung und Parlament wie schließlich auch den Dienst in seiner Bewegungsmöglichkeit erheblich eingeengt...

In Übereinstimmung mit der Opposition, deren Mitwirkung meiner Ansicht nach auch unbedingt erforderlich war, entschloß sich die Bundesregierung zur zweiten Lösung. Sie beschloß am 21. Februar 1956 die Bildung einer Dienststelle „Bundesnachrichtendienst“, die dem Bundeskanzleramt angegliedert werden sollte. Die Überführung der Organisation in den Bundesnachrichtendienst sollte mit dem Beginn des Rechnungsjahres 1956/57, also am 1. April 1956, nach Weisung des Bun-

World Gets Rights To German Spymaster's Memoirs

World Publishing Company has acquired world rights, including all book and serial rights and excluding only German-language rights, to the memoirs of General Reinhard Gehlen, German chief of Wehrmacht intelligence on the Eastern Front during World War II and then head of the clandestine Buro Gehlen which operated in West Germany, secretly financed by the Central Intelligence Agency from the war's end until 1956 (*PW Currents*, September 20). World plans publication in May of 1972. From 1956 until his retirement in May, 1968, General Gehlen was chief of the official West German Intelligence service, the Bundesnachrichtendienst. He was one of the most influential, feared, brilliant, mysterious and successful figures in the history of espionage.

The publication of General Gehlen's memoirs will release a vast amount of information previously unavailable about World War II and the cold war period that followed it. The publishers believe, on the basis of their current knowledge of the manuscript's contents, that the whole historiography of World War II will have to be substantially revised after its publication. Gehlen's revelation that Reichsleiter Martin Bormann was a Soviet spy during World War II, a disclosure which has aroused intense interest in the world press, is only an example of the extraordinary nature of the material the book will offer.

World's purchase of the rights to General Gehlen's memoirs culminates several years of interest and pursuit by James O. Wade, editor-in-chief of the adult department of World Publishing and formerly senior editor of the Macmillan Company, where he commissioned a still unpublished biography of the general. Last month, Mr. Wade learned that previous arrangements for publication of the memoirs, understood to have been final, had been cancelled. Mr. Wade immediately reported this news to Peter V. Ritner, vice-president and director of World's general publishing division. Mr. Ritner, publisher of "Inside the Third Reich" (*Macmillan*) by Gehlen's wartime colleague, Albert Speer, went to Germany to look into the situation personally. He spent a day in Mainz in the company of George Bailey—an old friend, ABC correspondent and former American intelligence officer—reviewing parts of the manuscript and assuring himself that it was both authentic and sensational.

From Volker Hansen, head of Hase und Kohler Verlag, the German pub-

lisher acting as general agent for the property, Mr. Ritner obtained a two-week option. Approaches were made to other publishers and media, with the result that by September 7, an offer well in excess of \$400,000 had been made to the German publisher.

In West Germany, Conrad Ahlers, a government spokesman in Bonn, told newsmen that any disclosure of confidential information in the memoirs would violate West German law. As a result, a great deal of material falling into this category has had to be deleted from the Hase und Kohler Verlag text and from all other forms of publication in the German language, including serialization in the newspaper *Die Welt*, which, having paid a record equivalent of \$250,000 for serialization rights, published the first installment of the memoirs on September 10.

West German law cannot, however, control what is published in other languages outside of the country. General Gehlen has consequently insisted on many additions to the English-language version over what can be published in Germany and has further insisted, as a point of his contract with World, that all translations into other languages be made from the full and definitive text that will comprise World's English-language version.

While General Gehlen's knowledge and authority may go unquestioned, recent articles that picked up the Bormann story have suggested that he may have mixed motives in releasing his book for publication, even though they have failed to suggest any substantial motive that might distort his telling of the myriad facts uniquely at his disposal. It has been known for some time, for example, that Gehlen's organization operated illegally in West Germany after the war, with secret financing from the American Government through the CIA, and it has been surmised that Washington kept the arrangement secret out of embarrassment over the need to employ the 4000 men with whom Gehlen staffed his *Büro*, most of whom were former Nazis who worked under the SS or Gestapo, but who were nonetheless the only men qualified to conduct espionage and security operations in this area of the cold war. Hitherto, the matter has been taken lightly by the press, possibly because sufficient evidence was publicly unavailable. General Gehlen's memoirs now provide that evidence.

The book also shows how the American government knew the Bay of Pigs

invasion would fail; how Gehlen, a close personal friend of General Moshe Dayan, helped build the Israeli intelligence organization Sheroot Yediot (SHAI); how the CIA was restrained from interfering with the anti-Communist coup in Indonesia that ended in the slaughter of 600,000 Indonesian "Communists"; why former West German intelligence chief Otto John may have "defected" to the East; how Bonn had five days advance warning of Israel's "surprise" attack on the Arabs in the Six Day War of June, 1967, three weeks advance notice of the building of the Berlin Wall, and six weeks advance notice of the Soviet intervention in Czechoslovakia.

The German publisher, Volker Hansen, is the son of a World War II officer who was a close associate of Gehlen's in the Wehrmacht. (Gehlen's uncle ran a publishing house in Germany before the war, and Gehlen's father ran its Breslau branch). Gehlen and Hansen's father were both in communication with Canaris, Stauffenberg and the other officers who were planning to assassinate Hitler, and Gehlen warned Stauffenberg that the plot would fail. (What really happened during the plot of July 20 is also covered in the memoirs.)

After the war, Hansen's father spent 11 years in a Russian prison camp. When he returned to Germany he picked up the threads of his life, and one of the old friends he looked up was Gehlen. Hansen senior and Hansen junior spent years convincing Gehlen to write the story of his career.

General Gehlen has also expressed his intention to make himself available for promotional appearances and interviews in the United States upon the book's publication. World plans publication in May of 1972.

24 Sept 71

STICHWORT

Am 25. September setzt die WELT exklusiv den Vorabdruck von Auszügen aus den Memoiren des ehemaligen Geheimdienstchefs Generalmajor Reinhold Gehlen fort. Aus diesem Anlaß veröffentlicht die WELT eine kurze Serie von Stichwörtern über ausländische und eigene Nachrichten- und Spionageabwehrdienste.

CIA

Zu Beginn des Zweiten Weltkriegs besaßen die USA keine Spionageorganisation, sondern lediglich den kleinen Nachrichtendienst G-2 des Heeres, sein winziges Marine-Gegenstück Office of Naval Intelligence (ONI) und das bedeutungslose Corps of Intelligence Police (später: Counter Intelligence Corps — CIC).

Nach Kriegseintritt wurden die Dienste der beiden Teilstreitkräfte erweitert, zudem entstand das Office of Strategic Services (OSS) für die Sammlung strategischer Nachrichten und für Sondereinsätze (Sabotageakte, Unterstützung verbündeter Partisanen).

OSS wurde in der Euphorie der ersten Nachkriegszeit aufgelöst. Mit Beginn des Kalten Krieges wurde ein „Nationaler Sicherheitsrat“ gegründet, wurden die Nachrichtendienste der Streitkräfte dem Verteidigungsminister unterstellt und entstand mit Billigung beider Parteien im Kongreß am 18. September 1947 die Central Intelligence Agency (CIA).

Ihre Aufgaben sind: Beratung des „Nationalen Sicherheitsrats“ und des

Präsidenten an Hand des von ihr beschafften Materials in Fragen der nationalen Sicherheit, Nachrichten-Auswertung und Information der Regierung, allgemeine Nachrichtentätigkeit (soweit sie nicht Aufgabe anderer Dienststellen ist) und — ein Privileg der CIA — Geheimaktionen und Geheimoperationen.

Besonders hiergegen hat sich mehrfach die Kritik von Gegnern der jeweils herrschenden US-Regierung gerichtet, die — mehr oder weniger bewiesen — der CIA direkte Einmischung in die Innenpolitik freier Länder (Iran, Guatemala, Dominikanische Republik und andere), Infiltration nationaler und internationaler Organisationen und Einrichtungen sowie falsch oder unzureichende Information der Regierung (etwa beim Fiasko in der Schweine-Bucht) vorwarfen. Verständlicherweise hat hierauf die CIA nicht mit einer Gegenrechnung ihrer Erfolge geantwortet.

Sämtliche Geheimdienste der USA erhielten 1963 zusammen drei Milliarden Dollar. Die Zahl der CIA-Angehörigen (ohne ausländische Agenten) schätzte damals ein Experte auf etwa 50 000.

ohn

German General's Memoirs Call Bormann a Spy for the Soviet

By HENRY RAYMONT

A manuscript described as the memoirs of Gen. Reinhard Gehlen, former head of the West German intelligence service, asserts that Martin Bormann, Hitler's top lieutenant, was a Soviet agent during World War II.

It also says that after the war, Bormann became an adviser on German policy in the Soviet Union and that he died there less than three years ago.

These assertions about the Nazi leader who was last seen leaving Hitler's bunker in Berlin in 1945, are contained in a forthcoming book that General Gehlen is said to have written since his retirement in 1968.

The book is reported to be commanding offers approaching \$1-million for world publication rights, following at least six months of secret negotiations that in themselves resemble an episode of international intrigue.

The memoirs discount previous accounts of Bormann's fate, which presumed him either to have died outside Hitler's bunker in Berlin or to be hiding in South America.

In fact, the memoirs say, as the Russians closed in on the bunker, the Nazi leader crossed their lines and gained sanctuary in the Soviet Union. The information is attributed to a series of "unimpeachable" reports, presumably from General Gehlen's agents in the Soviet Union. The last report, which brought word of the death, came in 1968.

The account of Bormann's double role is one of many details of East-West intrigue in the reminiscences of General Gehlen, who was chief intelligence officer of the Wehrmacht on the Russian front and was recruited after the war by United States intelligence. He eventually became director of the Bundes Nachrichten - Dienst, West Germany's secret service.

The existence of the memoirs—and negotiations for their sale by a small West German publishing house—became known here during the last few days as an outline and portions of the text were obtained from several publishing sources.

An announcement is expected this week that bids for the world rights to the manuscript outside Germany have been made by the World Publishing

Company, a subsidiary of the Times Mirror Company of Los Angeles, and Avon Books, a paperback publisher owned by the Hearst Corporation. The publishing house of William Collins of London is also known to have offered \$100,000 for the British rights.

The announcement would be the first public acknowledgment of at least six months of secret negotiations for the publication of the books that in themselves resemble an episode of international intrigue.

The announcement would be the first public acknowledgment of the existence of the Gehlen memoirs and the negotiations, which have included secret trips by United States and British publishers to Germany and an almost clandestine typesetting operation by the conservative Hamburg newspaper Die Welt, which plans to begin serializing the book on Sept. 10.

According to information assembled from publishers here and in West Germany, the Gehlen memoirs were first offered for sale early this year by Volker Hansen, director of Hass & Koehler, a small, 182-year-old publishing house in Mainz known for books on military subjects. Mr. Hansen, whose father was a German intelligence officer during World War II, said he held power of attorney for General Gehlen.

Over the last three months several United States and British publishers went to Mainz, where they were allowed to see as many as three chapters of the 12-chapter manuscript. Requests to visit General Gehlen at his home in Bavaria were turned down on the ground that he wished to remain secluded during the negotiations. However, the publishers were told the general intended to make public appearances to promote the book after its publication.

Mr. Hansen's refusal to disclose the full text combined with the unavailability of its author led to some speculation about whether the memoirs had actually been written by General Gehlen.

But publishing sources, both here and in West Germany, assert that they have confirmed the reliability of the material through people close to the intelligence community of both countries.

Martin P. Levin, chairman of the board of World Publishing, said: "We are totally convinced that the memoirs are authentic. We are equally con-

vinced that they will create an international sensation."

Mr. Levin said the authenticity of the manuscript had been verified by Peter Ritner, World's chief editor, with the help of Georg Bailey, an author formerly connected with United States military intelligence in Germany, when the two men visited Mainz late last month.

Two years ago, Mr. Ritner, then working for the Maemil of Albert Speer's "Inside the Third Reich," a best seller that is said to have contributed to General Gehlen's decision to issue his own memoirs.

The report that the general wrote a book was especially surprising because of his legendary record of anonymity. For years he shunned interviews and public statements

despite a reputation as the man who built West Germany's intelligence apparatus into the world's most effective anti-Communist espionage network.

General Gehlen, who made his reputation as an analyst of Soviet strategy on the Russian front, went underground as the war ended to surrender with his entire staff to Gen. George S. Patton's Third Army with an offer to cooperate with the victors.

In 1947, the newly created Central Intelligence Agency authorized him to establish a full-scale German intelligence organization, which he staffed largely with professionals from the disbanded S.S. security service and the Wehrmacht intelligence agencies.

People who say they are familiar with the 69-year-old general's thinking say fear of reprisals against his family and a distaste to have his views used in internal West German political controversies explain his continued reluctance to receive visitors.

If this has indeed been General Gehlen's attitude, information about the manuscript that became available in recent days indicates a drastic change. For in addition to describing wartime and later intelligence operations, it contains a detailed analysis of Soviet political and military goals for the next two decades as well as an urgent plea for a Western military buildup to contain Communist expansion.

The argument for a tougher policy of containment suggests that the publication of the memoirs is certain to be welcomed by the foes of West German Chancellor Willy Brandt's Ostpolitik, his policy to improve relations with the Soviet bloc.

This is the reason given by German publishing sources why the German newspaper serial rights were acquired by Die Welt, whose owner, Axel Springer, is an influential critic of the Brandt government. Die Welt is reported to have paid \$250,000 for the serial rights.

Rüdiger Freiherr von Wechmar, Chancellor Brandt's spokesman, said in an interview from Bonn yesterday that the Government had not been aware of the impending serialization of the Gehlen memoirs. However, he said that high officials had known about the existence of "an alleged Gehlen manuscript" and were investigating whether there had been any violation of laws restraining former civil servants from revealing state secrets.

The plan to rush the manuscript into print coincided with the publication of a critical Gehlen biography written by Heinz Höhne, an editor of the Hamburg weekly news magazine Der Spiegel, which supports Chancellor Brandt. The Höhne book will be issued in Germany on Sept. 19, and an English translation is to be published here next year by Coward, McCann, Geoghegan.

In offering the book by Gehlen to prospective foreign publishers, Mr. Hansen is understood to have made the point that neither Mr. Höhne nor the author of another forthcoming Gehlen biography, E. H. Cookridge, have interviewed the former intelligence chief nor seen his memoirs.

A portion of the text of the memoirs, including the account of the Bormann case, was distributed by Mr. Hansen as evidence that General Gehlen's book would contain important and hitherto unpublished materials.

The memoirs say that the revelations about Bormann, the man Hitler named as his successor, "offer the key to one of the most enigmatic cases of our century."

The author says that he first heard suspicions voiced about Bormann in a private conversation in 1941 with Adm. Wilhelm Canaris, head of the Nazi counter-espionage service, who was executed for his role in the July, 1944, plot to assassinate Hitler.

According to the memoirs, although Bormann was believed to have ties to Die Rote Kapelle, a famous Soviet espionage cell in Nazi Germany, the Nazi leader was never placed under surveillance for fear that he would use his influence with Hitler to destroy the intelligence service.

Radio Ex-Staffers to Testify

CIA Funds Hot Issue

By JOHN P. WALLACH

News American

Washington Bureau

WASHINGTON — Former American staffers of Radio Free Europe (RFE) are prepared to testify in Congress that they had to sign an oath refusing to divulge multimillion dollar Central Intelligence Agency (CIA) bank-rolling of RFE on penalty of a maximum \$10,000 fine and 10-year prison sentence.

This and other disclosures, sources close to Sen. Clifford P. Case cautioned today, could seriously embarrass the Nixon administration if it decides to take an uncooperative approach to the Senate Foreign Relations Committee hearings, scheduled to begin on April 23.

CASE HAS spearheaded a Senate drive to strip RFE of what he charged in a recent speech were subsidies of "several hundred million dollars" from "secret" CIA funds which, the New Jersey Republican contended, have for 20 years made up almost the entire RFE budget.

In an attempt to force RFE and Moscow-bearing Radio Liberty (RL) to quit the pretense of acting as "private" organizations relying solely on voluntary contributions, Case introduced legislation in February to have both propaganda agencies funded through direct, acknowledged congressional appropriations.

Case has announced his intention to call to testify leading administration officials reportedly including Secretary of State William P. Rogers, Secretary of Defense Melvin Laird and CIA Director Richard Helms.

THE ADMINISTRATION is examining a series of options ranging from fighting to maintain the status quo, which could turn the hearings into a parade of disclosures about the extent of CIA involvement, to congressional funding, in much the same manner as the Voice of America (VOA) is financed.

The most workable compromise now appears to be setting up a public corporation to run RFE. The corporation would be funded by Congress but would retain a semi-private character that would

allow the U. S. government, whenever convenient, to deny association with RFE policies.

Congressional sources stress that funding the corporation would not involve any new money since the government already is footing the bill. It would allow transferring the \$33 million annual subsidy from secret CIA coffers to the open, congressional appropriation process.

THE ADMINISTRATION review is considered so sensitive that the White House has ordered it take place in the supersecret "Forty Committee," also known as the "Covert Action Group."

Although chaired by National Security Council chief Dr. Henry Kissinger, the mechanism is used only when a subject is considered too hot to go to the President through regular SC channels.

The Chief Executive is known to have had personal ties to several of RFE's most prominent backers and to have strong feelings about RFE's importance in Europe.

Case's bill, which proposed amending the Information and Education Act to provide funds for RFE, has attracted bipartisan support from several senators, including Harold Hughes, D-Iowa, Jacob K. Javits, R-N. Y. and J. William Fulbright, D-Ark.

They are prepared to press the issue as an example of the loss of congressional control over U. S. foreign policy.

CASE WAS understood to be ready to call former RFE staffers to testify that the CIA regularly assigned agents to two-year tours of duty at RFE headquarters in Munich, and that they masqueraded as accredited news correspondents on information-gathering missions all over Eastern Europe.

Other American employees were sooner or later required to sign a paper making them privy to the CIA connection, sources close to Case disclosed.

The document, they said, informed the Americans that RFE was a "project" of the CIA, that the undersigned was "officially" informed and that if he

divulges the information he becomes liable for the maximum punishment under Section 793 (D), Title 50, of the U. S. Code.

This section proscribes penalties up to \$10,000 and 10 years in prison, for the "communication of classified information by government officer or employee."

25 MAR 1971

Bonn Espionage Service Center of Controversy

BONN, Germany (AP) — West Germany's intelligence service is again in the center of a public debate.

The controversy was set off when Der Spiegel charged that this country's equivalent of the Central Intelligence Agency has become an inefficient bureaucracy that Chancellor Willy Brandt doesn't trust.

The news magazine's claims have resulted in a series of denials and counter claims.

Since it came into being, the intelligence service's role has been to collect information about foreign countries. During the cold war it concentrated on East Europe and enjoyed a high regard among other Western intelligence agencies.

But in an examination of its operations during the past two years Der Spiegel said:

- The service relies for information and analysis more on the Swiss newspaper Neue Zuercher Zeitung than on its own agents.
- An official in charge of assigning agents regularly consults an astrologer.
- Brandt's office has demanded and received the names and code names of all agents in East Europe, thus seriously endangering their security.

Der Spiegel said the service failed to predict last December's troubles in Poland, so Brandt had no warning that a leadership change there was imminent when he left for Warsaw to sign the Polish-German treaty on Dec. 6.

The former defense and finance minister, Franz Josef Strauss, said the demand for agents' names neutralized the operation in East Europe. Strauss heads the Christian Social Union, which, with the Christian Democrats, forms the opposition.

The government countered with a denial that Brandt's office ever asked for the agents' names.

Government spokesman Konrad Ahlers also denied a Spiegel claim that the West German service has lost the confidence of allied services like the CIA and the British Secret Service. "The exact opposite is true," he said.

The Bundesnachrichtendienst, or federal intelligence service, is no stranger to controversy.

It came to life as the Organization Gehlen in the service of the United States while Germany was still under occupation.

Lt. Gen. Reinhard Gehlen, chief of the German general staff's military intelligence on the Eastern front during World War II surrendered to the United States in the war's final months and started to work for his captors.

Chancellor Konrad Adenauer's fledgling West German government took over the service when the occupation ended.

Gehlen retired in 1968. His successor, Lt. Gen. Kurt Wessel, is an associate from World War II.

West Germany

Problems for spies

SPYING has long been a rewarding occupation in divided Germany, but now West Germany's intelligence service is complaining of political interference.

The Federal Intelligence Service, BND, has been reared in the tradition of anti-Communist espionage. Many of its officers worked in the Nazi Wehrmacht's intelligence service on the Russian front. But since Chancellor Willy Brandt began developing his *Ostpolitik*—his pursuit of better relations with Communist Eastern Europe—things have changed. Airing their problems in the news-magazine *Der Spiegel*, BND officers say that, as a result, morale and efficiency in the 5,500-man service have started to nosedive.

It is said that the Social Democratic Government in Bonn has been trying to get the West German espionage service under its political control. Last year the SPD appointed one of its officials as vice-president of BND. Since then, says *Der Spiegel*, there has been a decline in co-operation between West Germany's spies and both the American CIA and Britain's Secret Intelligence Service (SIS).

Allegedly, Western Allied agents now suspect that their German counterparts are being influenced by political bias into gathering worthless intelligence reports on Eastern Europe. And for a long time the West Ger-

mans have provided NATO with much of its information on the East.

It is also claimed that Brandt's Chancellery has called for and obtained lists of names of BND's intelligence operatives. One BND official is quoted as saying that no other intelligence service has ever been in such a situation. 'Names of our agents,' he says, 'are collected from the safes at BND headquarters outside Munich and sent to Bonn—the very place where hundreds of Eastern spies are on the loose.'